

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 650 - SB 649

February 27, 2023

**SUMMARY OF BILL AS AMENDED (004385):** Requires a person engaged in the business of installing vehicle immobilization devices on a motor vehicle to: (1) accept credit cards and debit cards as methods of payment for the removal of a vehicle immobilization device from a motor vehicle; and (2) issue a billing invoice for payment due if the payment cannot be completed by credit card or debit card without undue delay. Prohibits such businesses from charging a fee to accept payment by credit card or debit card. Limits the amount a person engaged in the business of installing vehicle immobilization devices can charge to remove the device to \$75. Provides exceptions.

Prohibits a person engaged in the business of installing vehicle immobilization devices on motor vehicles from: (1) contracting for or engaging the services of an independent contractor to install or remove vehicle immobilization devices; or (2) compensating employees on a commission basis.

Requires an owner, lessee, or other person who has control of a property for which an enforceable agreement exists with a person engaged in the business of installing vehicle immobilization devices to provide parking enforcement services by installing vehicle immobilization devices on motor vehicles on that property to post signage in a conspicuous location on the property bearing notice that the property's parking policy is strictly enforced, and include other outlined information.

Prohibits a person engaged in the business of installing vehicle immobilization devices from installing a vehicle immobilization device on a motor vehicle if the motor vehicle is located on a property that does not have a sign posted on the property in a manner that complies with the proposed legislation.

Establishes a violation of such is an unfair and deceptive act or practice under *the Consumer Protection Act of 1977*. Authorizes the Attorney General and Reporter (AG) to bring an action for an alleged violation. Requires the AG to send notice of violation of any authorized vehicle immobilization device operator to each political subdivision that has authorized the operator to operate within its jurisdictional area.

Requires a political subdivision to permanently revoke an operator's authorization to engage in the business of installing vehicle immobilization devices within the jurisdictional area of the political subdivision, upon receipt of notice of a third violation from the AG.

## **FISCAL IMPACT OF BILL AS AMENDED:**

### **NOT SIGNIFICANT**

Assumptions for the bill as amended:

- Any increase in the number of complaints handled by the AG is estimated to be not significant and can be handled by existing staff during normal work hours.
- Any additional AG duties resulting from the proposed legislation will be absorbed using existing resources.
- Any additional workload on the courts, as a result of this legislation, can be accommodated within existing resources and personnel.
- Based on the Fiscal Review Committee's 2008 study and the Administrative Office of the Courts' 2012 study on collection of court costs, fees, and fines, collection in criminal cases is insignificant. The proposed legislation will not significantly change state or local revenue.

## **IMPACT TO COMMERCE OF BILL AS AMENDED:**

**Other Fiscal Impact – A precise impact to jobs and commerce in Tennessee cannot reasonably be estimated**

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 6-54-132, municipalities are authorized to regulate the commercial use of wheel immobilizers to disable vehicles.
- The proposed legislation will significantly impact operations of businesses providing vehicle booting services in any municipalities that are not currently regulating such businesses.
- However, due to multiple unknown factors including the number of companies currently operating in any municipality, the number of municipalities that currently regulate booting companies, and the extent to which the proposed legislation will impact operations of such companies, the precise impact to jobs and commerce in Tennessee cannot reasonably be estimated.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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